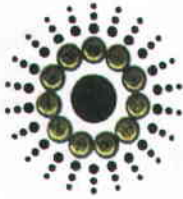


0017

** Incoming
C/007/0019
#3031*



ANDALEX
RESOURCES, INC.

P.O. BOX 902
PRICE, UTAH 84501
PHONE (435) 637-5385
FAX (435) 637-8860

Utah Division of Oil, Gas & Mining
Coal Program
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

August 7, 2008

Attn: Daron Haddock
Permit Supervisor

RE: Andalex Resources, Inc., C/007/019
Modification of Permit Area

Dear Mr. Haddock:

Andalex Resources, Inc. hereby makes application to modify the permit area of the Tower Mine (aka Centennial Mine) by deleting 11.92 acres. This deleted acreage is associated with a gaswell and pipeline proposed by Oso Oil and Gas, LLC who own the gas rights in the area. We have discussed this permit change with Dana Dean who is familiar with the details.

We are submitting six copies of Chapter 1, with the text changes changes shown in red to facilitate the review.

Should you have any questions regarding this issue, please feel free to contact me.

Sincerely,

[Handwritten Signature]
David Shaver
Resident Agent

RECEIVED

AUG 13 2008

DIV. OF OIL, GAS & MINING

File in:
C/0070019, 2008, *Incoming*
Refer to:
☐ Confidential
☐ Shelf
☒ Expandable
Date 080708 For additional information

APPLICATION FOR PERMIT PROCESSING

Permit Change ☐New Permit ☐Renewal ☐Transfer ☐Exploration ☐Bond Release ☐

Permit Number: 007/019

Title of Proposal: Reduction of permit area to delete the Oso gaswell and pipeline

Mine: Centennial Project

Permittee: Andalex Resources, Inc.

Description, include reason for application and timing required to implement:.

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 1. Change in the size of the Permit Area? <u>11.92</u> acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input checked="" type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4. Does application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 5. Does application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 6. Does the application require or include public notice/publication? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? Explain: |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 15. Does application require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps, or calculations? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided for? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

☐ Attach 3 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Signed - Name - Position - Date

Subscribed and sworn to before me this 7th day of August 2008

My Commission Expires:
Attest: STATE OF
COUNTY OF

Notary Public

Utah

04-06-09



Notary Public
LINDA KERNS
345 N. 700 E.
Price, UT 84501
My Commission Expires
April 6, 2009
State of Utah

Received by Oil, Gas & Mining

RECEIVED
AUG 13 2008

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

